



## > TOP 10 > Business Entity Errors that Delay Return Processing – 2008

CATEGORY	ERROR	SOLUTION
■ Forms	Incorrect math calculations, or incomplete or missing documents (Rank 1/10)	Verify all math calculations when completing forms, schedules, or worksheets. Attach appropriate documents as needed. Calculation errors and/or missing documents can delay processing of tax returns.
	Return account periods overlap (Rank 2/10)	Consistently use the same account period. If the period changes, the Franchise Tax Board must directly approve the change in most cases.
	Multiple tax returns filed for the same account period (Rank 7/10)	Check business records before sending duplicates of the original return. File only one original return for each account period. Allow three to six months to process original returns. When filing an amended return, use Form 100X to amend Form 100, 100W, or 100S, or mark the <b>Amended Return</b> box in upper right corner on Form 565 or 568.
	Amended returns not clearly identified as amended (Rank 8/10)	Use Form 100X to amend Form 100, 100W, or 100S, or mark the <b>Amended Return</b> box in the upper right corner on Form 565 or 568.
	Using an incorrect form for the tax year account period indicated on the return (Rank 10/10)	Use the correct tax year form for the tax year filed. For fiscal filers, use the form for the year the fiscal period began (e.g., use the 2008 form if the fiscal year began in 2008).
	Limited Liability Companies (LLCs) filing incorrect forms (Rank 9/10)	Partnership LLCs organized in CA, registered with the CA Secretary of State (SOS), or doing business in CA must file Form 568. Partnership LLCs <b>not</b> organized in CA, <b>not</b> registered with the CA SOS, and <b>not</b> doing business in CA but receive CA source income, must file Form 565. LLCs classified as a corporation must file Form 100 or 100S.
■ Identification	Omitting or using incorrect entity identification numbers (Rank 3/10)	Corporations use either the 7-digit CA Corporation Number or the 7-digit FTB assigned number <b>and</b> 9-digit Federal Employer Identification Number (FEIN). Partnerships use the FEIN. LLCs use either the 12-digit CA SOS File Number or the 9-digit FTB assigned number <b>and</b> FEIN.
	Incomplete entity name (Rank 4/10)	Use the <b>exact</b> legal entity name used to incorporate, qualify, or register with the SOS. If not registered with SOS, use the full legal entity name on all documents and also include <i>Doing Business As (DBA)</i> , if applicable. Use <b>exact</b> entity name as listed on documents previously sent to FTB. Include all periods, commas, spacing, etc. in name.
■ Payments	Incorrect payment amount claimed (Rank 6/10)	For all payments, include the correct entity identification number, exact legal entity name, and account period for the payment.
	One lump sum payment sent for multiple entities, or multiple payments sent in the same package/envelope (Rank 5/10)	Mail all payments individually for separate entities and account periods. Be sure all payments include the correct entity identification number, exact legal entity name, and account period for the payment.